

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
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Legislation Title:

AN ORDINANCE relating to a grant from the US Department of Energy awarded as part of the American Recovery and Reinvestment Act of 2009; authorizing the Director of the Office of Sustainability and Environment to accept a return of grant funds and to redirect those funds to other purposes authorized by the City's grant agreement with the US Department of Energy; increasing appropriations in the 2013 Adopted Budget for the Office of Sustainability and Environment; and ratifying and confirming prior acts; all by a three-fourths vote of the City Council.

Summary of the Legislation:

This ordinance accepts a return of grant funding that was originally allocated as part of the Community Power Works for Small Business program to establish credit enhancement reserves at two financial institutions, Craft3 and National Development Council, to support energy upgrade loans for small businesses. This ordinance also provides appropriation to the Office of Sustainability and Environment (OSE) to redirect the grant funding to the Community Power Works for Home program in accordance with the grant agreement and guidance received by the US Department of Energy.

Background:

The appropriation to spend these funds was previously given to the Office of Economic Development (OED) in 2010 via grant acceptance Ordinance 123360. OED expended the funds to establish credit enhancement reserves for small business loans. Demand for small business loans did not materialize, and the Community Power Works for Small Business program ended in July 2013 without making use of the credit enhancement reserves. The US Department of Energy has requested the City's reprogram the credit enhancement funds to the Community Power Works for Home for program administration and energy efficiency upgrade incentives. OSE has requested that Craft3 and National Development Council return these funds with anticipated receipt in October. OSE needs the increase in appropriation concurrently in order to meet program expenditures in a timely way for the remainder of the grant period.

☐ **This legislation does not have any financial implications.**

☒ **This legislation has financial implications.**

Appropriations:

Fund Name and Number	Department	Budget Control Level*	2013 Appropriation	2014 Anticipated Appropriation
General Fund 00100	OSE	X100	\$1,125,000.00	
TOTAL				

**See budget book to obtain the appropriate Budget Control Level for your department.*

Appropriations Notes:

This item increases appropriation in BCL X100 to accept the return of grant funds from Craft3 and National Development Council for the Community Power Works program.

Anticipated Revenue/Reimbursement Resulting from this Legislation:

Fund Name and Number	Department	Revenue Source	2013 Revenue	2014 Revenue
General Fund 00100	OSE	433190 - ARRA Federal Grant Indirect PassThru	\$1,125,000	
TOTAL				

Revenue/Reimbursement Notes:

Craft3 will return \$731,250 and NDC will return \$393,750.

Other Implications:

a) Does the legislation have indirect financial implications, or long-term implications?

No. This legislation only provides the City with the ability to redirect existing grant funding to higher impact activities.

b) What is the financial cost of not implementing the legislation?

The City would lose the ability redirect grant funding to high impact activities in the Community Power Works for Home program, including energy efficiency incentives.

c) Does this legislation affect any departments besides the originating department?

No.

d) What are the possible alternatives to the legislation that could achieve the same or similar objectives?

The alternative of accepting these funds in the 4th Quarter Supplemental Ordinance would not provide the Office of Sustainability and Environment with needed appropriation in the timeframe needed. Not accepting these funds would mean that the grant funding could not be redirected to other Community Power Works activities.

e) Is a public hearing required for this legislation?

No.

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

g) Does this legislation affect a piece of property?

No.

h) Other Issues: